

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 99-0600P**

Income Tax  
Calendar Year Ended 12/31/97

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**ISSUE(S)**

I. **Tax Administration** – Penalty

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer filed its year end return late and remitted tax due. Taxpayer made estimated tax payments but failed to make its final payment timely. The tax paid after the due date of the return amounted to \$31,565.00. Taxpayer protested the penalty assessed for failure to timely remit the balance of tax due.

I. **Tax Administration** – Penalty

**DISCUSSION**

Taxpayer was assessed a negligence penalty for the late payment of tax due. Taxpayer also had underpayments of quarterly estimated tax. Taxpayer states that it calculated the expected tax liability based upon the best available information at the time and had made tax payments to satisfy this expected liability. Taxpayer further cites that the parent company has a long history of excellent compliance with Indiana tax law. In addition, both corporations have created numerous job opportunities as well as making substantial investments within Indiana over the years.

The Indiana Code and Regulations are clear regarding the payment of estimated income tax and remitting payments timely. Taxpayer has not provided reasonable cause to allow the department to

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waive the penalty. Calculation errors or a parent's filing history are not considered reasonable cause. Each company filing a return stands on its own.

**FINDING**

Taxpayer's protest is denied.

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